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BCStats

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Recent Trends in the Off-Reserve Aboriginal Labour Force Participation

The Labour Force Survey

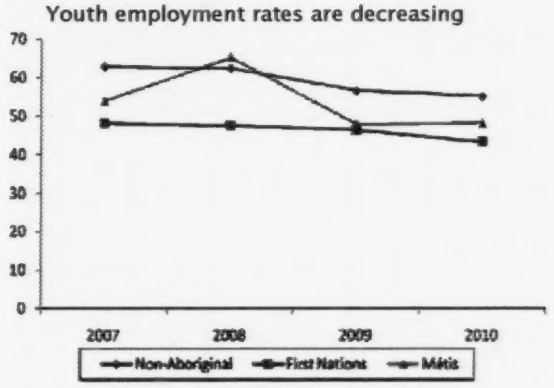
Since April 2004, Statistics Canada has been collecting data through the monthly Labour Force Survey on the labour market status of Aboriginal peoples living off-reserve. To gain additional information for the British Columbia component of the survey, the Province sponsored an increased sample, which was phased in over six months starting in October 2004. BC now has almost seven full years of annual data covering the off-reserve First Nations and Métis populations living in BC. This report presents highlights from that data.[1]

Youth

In 2010, the average unemployment rate for British Columbia's youth was 13.8 percent; however, Aboriginal youth still face higher incidences of unemployment. Their unemployment rate was 21.4 percent, which is considerably higher than the rate of the non-Aboriginal youth (13.4 percent).[2]

Overall, the employment rates[3] for non-Aboriginal youth have been edging down slightly since 2007, from 62.9 percent down to 55.1 percent in 2010. This pattern also holds true for First Nations and Métis youth; however, in 2008, the employment rates among Métis youth increased before falling in 2009 and 2010.

Youth employment rates are decreasing



Source: Labour Force Survey 2010

There are still some considerable differences in educational attainment between Aboriginal youth and non-Aboriginal youth. In 2010, over 50 percent of non-Aboriginal youth (15 to 24) were attending school, while only 43.0 percent of First Nations youth and 46.2 percent of Métis youth were attending classes. A higher proportion of Aboriginal people have attained less than a high school diploma than non-Aboriginal youth—51.6 percent and 33.0 percent respectively.

Labour Force Participations

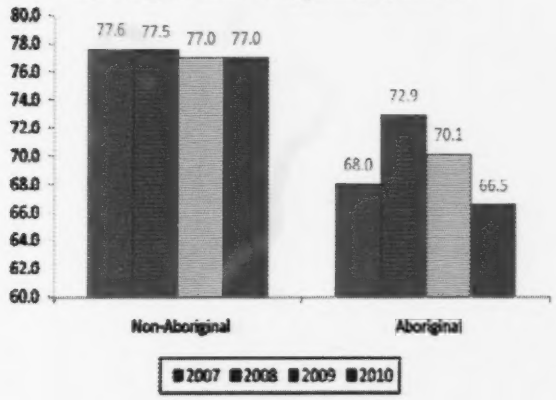
The labour force participation rates for non-Aboriginal persons, aged 15 to 64, have decreased slightly since 2007. Although rates for Aboriginal people increased in 2008, they quickly declined thereafter and continued to do so. In 2008, the Aboriginal participation rate was 4.6 percentage points below the non-Aboriginal participation rate; in 2010 the difference was over 10 percentage points.

[1] The 2004 annual average is based on data collected between April 2004 and December 2004.

[2] Unemployment rate is the number of unemployed persons expressed as a percentage of the labour force.

[3] Employment rate (or the employment/ population ratio) is the number of persons employed expressed as a percentage of the population.

Since 2008 the labour force participation rates are declining for the Aboriginal population

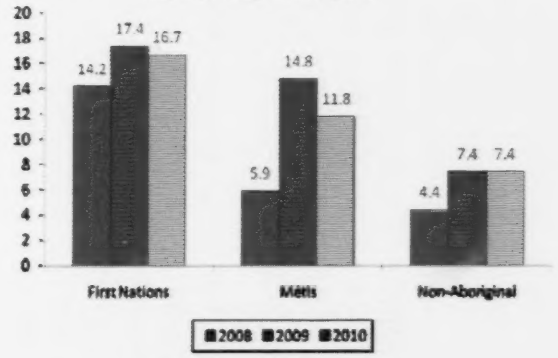


Source: Labour Force Survey 2010

Between 2008 and 2010 the non-Aboriginal unemployment rate (15 years and over) increased by 3.0 percentage points to 7.4%. In comparison, the Métis unemployment rate jumped 8.9 percentage points between 2008 and 2009 and then fell slightly in 2010 to 11.8%. In 2008 the Métis unemployment rate was 1.5 percentage points higher than the non-Aboriginal unemployment rate but this gap has widened to 4.4 percentage points in 2010.

The Aboriginal unemployment rate still remains nearly double that of the non-Aboriginal population—14.6 percent. First Nations people show the highest incidence of unemployment; their unemployment rate of 16.7 percent is more than twice that of the non-Aboriginal population and almost 5 percentage points higher than the Métis population.

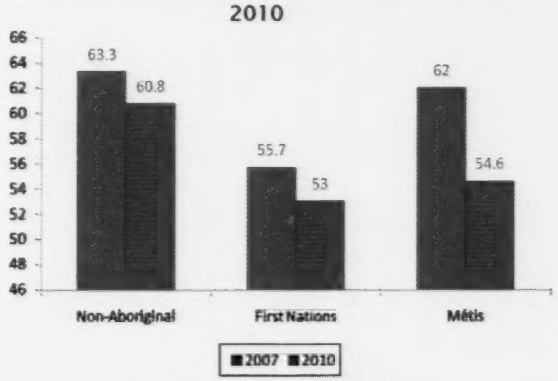
The unemployment rate gap widens between the Aboriginal and non-Aboriginal population between 2008 and 2010



Source: Labour Force Survey 2007

It is apparent that the employment rates for non-Aboriginals, First Nations and Métis were much higher in 2007 and then subsequently fell in 2010. In 2007 the employment rate for the Métis population was nearly that of the non-Aboriginal population (62.0 percent versus 63.3 percent respectively). However, this was not the case in 2010, the employment rate for the Métis population was considerable lower than the non-Aboriginal population.

The employment rates decline between 2007 and 2010

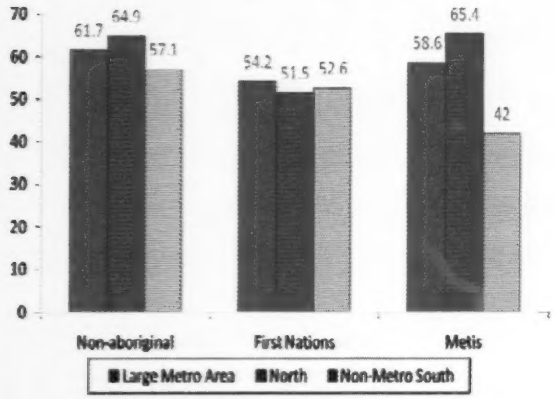


Source: Labour Force Survey 2010

Employment rates vary from one region of the province to another. In 2010, almost two-thirds of non-Aboriginal people in the North were employed; yet this figure was

only 51.5 percent for the First Nations population. Conversely, the Métis population has a greater proportion of individuals employed in the North then the non-Aboriginal population at 65.4 percent employment. Unfortunately this pattern doesn't hold true for the large metro areas and the non metro south.

Employment rates by Region

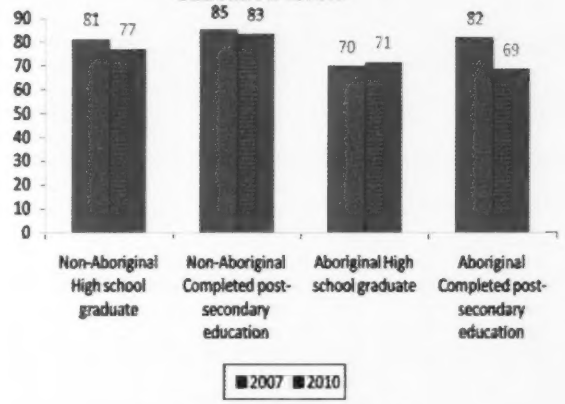


Source: Labour Force Survey 2010

Education plays an important role in labour force success. Large gaps in educational attainment between Aboriginal and non-Aboriginal people continue to exist in BC. In 2010, over 20 percent of the prime working-age (25-54) Aboriginal people in BC did not have a high school credential, compared to 7.6 percent of the non-Aboriginal population. Just under half (45.8 percent) of the Aboriginal population had completed a post-secondary credential,[4] compared with 62.9 percent of the non-Aboriginal population.

The employment rates for both Aboriginal and non-Aboriginal populations (25 to 54 years of age) who have attained a high school diploma fall in 2010 from the 2007 rates (with the exception of those Aboriginals who have attained a high school diploma). Interestingly, the difference between non-Aboriginal and Aboriginal employment rates for those with a high school credential lessen from 2007 to 2010 (a difference of 11 percentage points in 2007 and 6 percentage points in 2010). However, the gap between the non-Aboriginal and Aboriginal population with a post-secondary credential widened between 2007 and 2010. In 2007 the gap was 1.0 percentage point and in 2010 it grew to 14.0.

The gap in employment rates between Aboriginal and non-Aboriginal people varies depending on education levels



Source: Labour Force Survey 2010

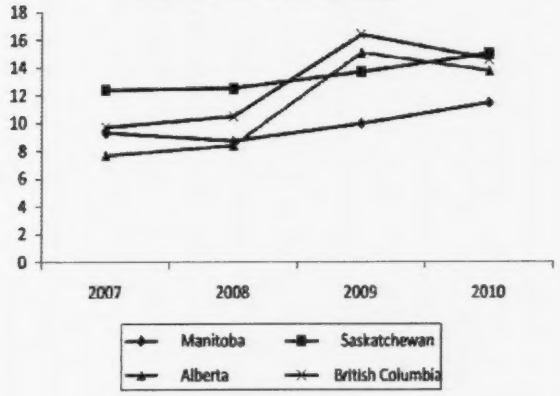
Regional Comparison

Aboriginal people in Saskatchewan and Manitoba experienced the highest employment growth out of the four western provinces, between 2007 and 2010. Aboriginal employment grew 4.8 percent for Manitoba and 1.1 percent for Saskatchewan over the three year period. While the employment levels for British Columbia and Alberta decreased over the same period, -1.5 percent and -5.8 percent respectively. The non-Aboriginal employment level growth was positive for all of the western provinces. Interestingly, the three year growth rate for Manitoba Aboriginals was greater than that of non-Aboriginal Manitobans.

Between 2007 and 2010, the Aboriginal unemployment rate in Alberta increased 6.1 percentage points, which represented the largest increase in the four western provinces.

[4] Trades certificate, college diploma or university certificate, or degree.

The unemployment rate for the Aboriginal population in BC is increasing



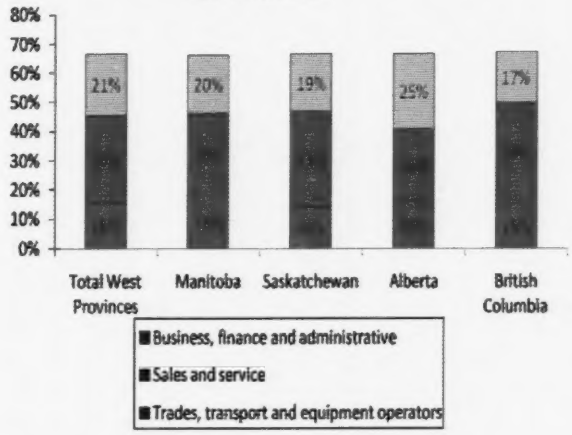
Source: Labour Force Survey 2010

In 2010, Aboriginal peoples in Alberta had the highest labour force participation (71 percent) followed by Manitoba (66 percent); BC and Saskatchewan have the same rate (63 percent). For the non-Aboriginal population, BC has the lowest labour force participation of the four western provinces—66 percent, compared with the high of 73 percent in Alberta.

Occupations and Wages

Overall, the top three occupational groups for Aboriginal people in BC are sales and service occupations (34 percent), trades, transport and equipment operators (17 percent), and business, finance and administration (16 percent). These three account for two thirds of the off-reserve Aboriginal labour force in BC.

The occupation profile for Aboriginal people in Western Canada is associated with three occupational groups

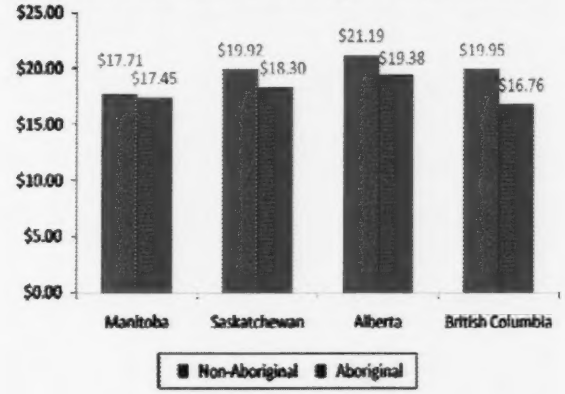


Source: Labour Force Survey 2010

The three occupational groups mentioned above account for 59 percent of the non-Aboriginal total in BC; however, the distribution is different. Twenty-seven percent of non-Aboriginals are employed in the sales and service occupations, 17 percent show up in business, finance, and administration, and 15 percent are employed in the trades, transport, and equipment operators group.

Aboriginal employees in western Canada earn less, on average, than their non-Aboriginal counterparts. For example in 2010, Aboriginal employees with a high school credential earned $18.05 per hour compared to $20.15 per hour for non-Aboriginal employees.

Aboriginal employees with a high school credential earn less than their non-Aboriginal counterparts

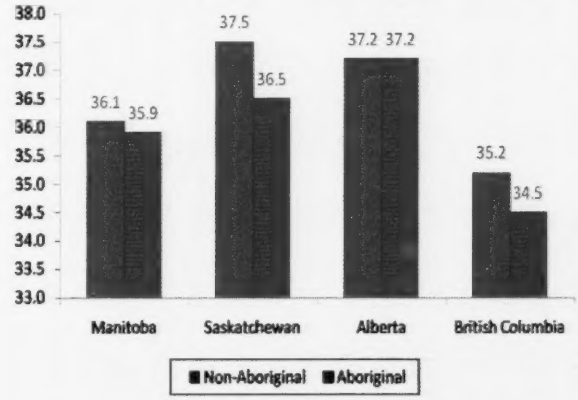


Source: Labour Force Survey 2010

Employed Aboriginal British Columbians have a lower average hourly wage then those Aboriginals of Manitoba, Saskatchewan and Alberta ($16.76 versus $17.45, $18.30 and $19.38 respectively).

Additionally, it appears that Aboriginal employees in British Columbia work shorter hours than their counterparts in Manitoba, Saskatchewan and Alberta (34.5 hours for British Columbia versus 35.9, 36.5 and 37.2 hours for Manitoba, Saskatchewan and Alberta).

Aboriginal people in Alberta work more hours than their counterparts in the other western provinces



Source: Labour Force Survey 2010

The Economic Downturn

Before the economic downturn of 2008, the disparities between Aboriginal and non-Aboriginal people in terms of participation rates and unemployment rates were starting to show signs of improvement. When the economy began to slow down in 2008 the Aboriginal labour force in BC was faced with some considerable challenges and as a consequence of this, there are re-emerging disparities between non-Aboriginal and Aboriginal population.